

Message Text

CONFIDENTIAL

PAGE 01 DACCA 02286 230856 Z

11

ACTION AID-59

INFO OCT-01 ADP-00 NEA-05 EB-05 IGA-02 INR-10 L-03 CIAE-00

/085 W

----- 008850

P 230704 Z MAY 73

FM AMEMBASSY DACCA

TO SECSTATE WASHDC PRIORITY 9800

C O N F I D E N T I A L DACCA 2286

AIDAC

E. O. 11652: GDS

SUBJECT: PRIME MINISTER (PM) APPEAL FOR U. S. ASSISTANCE

FOR MACDONALD FROM WILSON

BEGIN SUMMARY: SECRETARY, PM SECRETARIAT, INFORMALLY SEEKS POSSIBLE LINE OF U. S. RESPONSE TO PROPOSED SPECIAL APPEAL BY PM TO U. S. G. FOR ASSISTANCE IN MEETING BANGLADESH (BD) CLOTHING NEEDS THIS CY. RATIONALE FOR USE OF RELIEF AND REHABILITATION GRANT FUNDS IS MADE AND GUIDANCE REQUESTED. END SUMMARY.

1. IN RESPONSE TO AN URGENT APPEAL, I MET TUESDAY AFTERNOON WITH DR. A. M. SATTAR, SECRETARY, PM SECRETARIAT, ON THE SUBJECT OF SPECIAL U. S. ASSISTANCE. DR. SATTAR OPENED THE PRIVATE SESSION BY DISCLOSING THAT THE PM WAS EXTREMELY CONCERNED WITH THE CURRENT AND FUTURE AVAILABILITY OF CLOTHING IN BD AND THAT HE WAS PROPOSING A DIRECT APPEAL TO PRESIDENT NIXON FOR EMERGENCY ASSISTANCE. DR. SATTAR, IN DISCUSSING WITH USCOR, WAS MAKING AN INFORMAL APPROACH TO SEE IF THERE WERE ANY HOPE FOR SUCH AN APPEAL RECEIVING FAVORABLE CONSIDERATION.

2. DR. SATTAR GAVE ME A COPY OF THE BDG (I BELIEVE AUTHORED BY SATTAR) " WORKING PAPER ON PRODUCTION, IMPORT AND EXPORT OF COTTON TEXTILES", WHICH DEVELOPS THE SUPPLY AND DEMAND PICTURE FOR 73-74. HE INDICATED THE SUPPLY WAS APPROXIMATELY ONE- HALF OF THE MODERATE REQUIREMENT LEVEL AND TWO- THIRDS OF

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 DACCA 02286 230856 Z

THE ANNUAL PER CAPITA CONSUMPTION LEVELS OF THE 1960' S. HIS FIGURES AND ANALYSIS HAVE NOT BEEN THOROUGHLY CHECKED AS YET BUT APPEAR TO BE CONSISTENT, AND NO DOUBT PAINT A BLEAK PICTURE.

3. IN COUNTERED HIS APPEAL WITH VARIOUS ARGUMENTS OF SHORTAGE U. S. COTTON AND YARN, HIGHER PRIORITY OF FOODGRAINS AND OTHER PROJECTS, YH45-&3 7. S. FUNDS, HIGH COST US TEXTILES, APPROPRIZENESS OF APPEALS TO OTHER DONORS INCLUDING UN - ALL OF WHICH WERE WELL KNOWN AND HAVE BEEN PREVIOUSLY DISCUSSED WITH DR. SATTAR. HIS RESPONSE WAS THAT THIS WAS A CRITICAL NEED TO BD NOW, THAT IT WAS UPPERMOST IN THE EYES OF THE PM, AND THAT ONLY THE U. S. COULD RESPOND TO THE NEED. FYI: IBRD WAS REPORTEDLY APPROACHED LAST WEEK FOR DIVERSION OF PROGRAM LOAN FUNDS FOR TEXTILE PURCHASE BUT TURNED IT DOWN. END FYI.

4. USING CANDID OPENING BYD DR. SATTAR AS HE PORTRAYED C- 130' S FLYING LOADS OF CLOTH IN AS GREAT POSITIVE EFFECT OF U. S. IMAGE IN BD, I PROBED ON THE ISSUE OF GENERAL ACKNOWLEDGEMENT AND ATTRIBUTION OF U. S. ASSISTANCE AND HE REPLIED THAT OUR GIVING OF HUNDREDS OF MILLIONS AT A TIME OF GENERAL NEED AND RESPONSE HAS NOT HAD AND WOULD NOT HAVE THE FAVORABLE EFFECT THAT A SPECIFIC RESPONSE AT THIS LATER TIME TO THIS SPECIAL NEED WOULD HAVE IN THE EYES OF THE BD PEOPLE. ADDITIONAL DISCUSSIONS WERE PURSUED ON THE NEED FOR BD TO GET GOING REHABILITATION OF THE MILLS, AND THE MEETING OF ITS LONGER RANGE PRODUCTION AND IMPORT REQUIREMENTS, BUT WHILE ACKNOWLEDGING ALL THIS, DR. SATTAR WENT BACK TO THE CLOTH SHORTAGE BEING A SPECIAL CRISIS WHICH REQUIRED SPECIAL ACTION. FYI: AS EVIDENCE OF CONCERN IN THIS AREA, THE PRESS HAS JUST ANNOUNCED THAT THE BDG HAS APPROVED THE ISSUANCE OF OPEN GENERAL LICENSES FOR THE PURCHASE OF CLOTH BY PRIVATE IMPORTERS. THIS IS A MARKED REVERSAL OF EARLIER POLICY AND WILL BE ELABORATED ON IN SEPTTEL. END FYI.

5. ALTHOUGH I CAN SENSE YOUR REACTION TO THIS AS JUST FURTHERED EVIDENCE OF THE EMERGENCY SYNDROME AND THE INABILITY OF THE GOVERNMENT TO COPE WITH ITS PROBLEMS IN AN ORDERLY MANNER, I CAN ALSO SEE THEIR CASE FOR THIS AS A LEGITIMATE RELIEF AND REHABILITATION REQUEST. FOLLOWING THE WAR THE NEEDS AND THE CONTRIBUTIONS HAVE BEEN PRIMARILY FOR FOOD, SHELTER AND SOME CLOTHING. AFTER SUCH A CALAMITY THE NEED FOR FOOD IS IMMEDIATE AND CONTINUOUS AND IN BD WE ALL HVE WORKEJUHARD IN THIS AREA
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 DACCA 02286 230856 Z

WITH CONSIDERABLE SUCCESS. THE NEED FOR SHELTER IS IMMEDIATE BUT, ONCE SUPPLIED, LASTS FOR A CONSIDERABLE PERIOD, AND, IN ANY CASE, PUTS MINIMAL DEMAND OF EXTERNAL RESOURCES. THE NEED FOR CLOTHING IS IMMEDIATE IN SOME CASES, BUT GENERALLY THE NEED GROWS OVER A PERIOD OF TIME THROUGH NORMAL WEAR AND TEAR IF REPLACEMENT SUPPLIES ARE NOT AVAILABLE. IN BD IT APPEARS

WE ARE FAST APPROACHING THE TIME WHEN THE NEGATIVE EFFECTS OF LOSS OF PRODUCTION SCARCITY OF RAW MATERIAL IMPORTS (ESPECIALLY FROM PWCIYFAN), CUMULATIVE DETERIORATION OF DD COUNTRY' S CLOTHING AND LOSS OF STOCKS ARE GOING TO CREATE A NATIONWIDE SHORTAGE OF CLOTHING OF ENORMOUS PROPORTIONS. I CAN SEE THIS DELAYED SHORTAGE AS DIRECTLY RELATED TO THE DISRUPTIONS OF LIBERATION.

6. IF THE PM MAKES THE APPEAL PERSONALLY, ITS PRIORITY IS ESTABLISHED (ON THE PERHAPS NAIVE BASIS THAT HIS PRIORITIES ARE BD' S), AND TAKING HIS APPEAL AT FACE VALUE IT WOULD BE POSSIBLE TO REQUEST THE PRESIDENT NOT TO TRANSFER 10 PER CENT OF THE GRANT UNDER HIS DISCRETIONARY AUTHORITY, BUT TO USE THE DOLLARS 10 MILLION FOR IMMEDIATE PURCHASE OF LOWER GRADE COTTON TEXTILES FOR BD FROM 941 COUNTRIES.

7. THERE ARE ADDITIONAL DETAILS WHICH WEHMILL SUPPLY DEPENDING UPON RECEIPT OF RESPONSE FROM YOU, BUT THEIR PRINCIPAL SECRETARY TO THE PM, RUHUL QUDDUS, HAS REQUESTED A MEETING WITH THE CHARGE AND AID COORDINATOR AS SOON AS POSSIBLE WEDNESDAY OR THURSDAY SO WE REQUIRE A QUICK GUIDANCE.

8. IN SUMMARY, I FEEL THAT THE RECENT DIFFICULTIES IN RESOLVING OUR ALLOCATION PROBLEMS UNDER THE GRANT AND THE OVERALL PALL OF THE DEBT QUESTION HAVE MADE THE BDG SOMEWHAT UNEASY ABOUT U. S. INTENTIONS AND INTEREST IN BD. A SYMPATHETIC RESPONSE TO THIS APPEAL ALLEVIATE THIS UNEASINESS AND ALSO ASSIST THE BDG IN REDUCING ONE MORE POTENTIAL AREA FOR CIVIL UNREST LATER THIS YEAR.
NEWBERRY

CONFIDENTIAL
NMAFVVZCZ

*** Current Handling Restrictions *** n/a

*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 23 MAY 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973DACCA02286
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: RR
Errors: n/a
Film Number: n/a
From: DACCA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730553/aaaajsgk.tel
Line Count: 146
Locator: TEXT ON-LINE
Office: ACTION AID
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 17 DEC 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <17-Dec-2001 by shawdg>; APPROVED <26 FEB 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> gwr 980304
Subject: PRIME MINISTER (PM) APPEAL FOR U. S. ASSISTANCE
TAGS: PFOR, n/a
To: AID
SECSTATE WASHDC
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005